

Question & Answer Session
CWNS 2008 Training: CWNS Eligibility
August 14, 2007

Q: Since Clean Water State Revolving Fund (SRF) eligibility is not required for a need to be "official" could you give some examples of what other official needs might be that are not SRF eligible?

A-1: New septic systems are not SRF eligible, but meet all CWNS criteria. Therefore, the capital costs can be included in the category Decentralized Wastewater Treatment Systems (XII).

A-2: In "most cases", house laterals are not SRF eligible, but now states will be able to enter them as official needs.

A-2 Clarification: "Most cases" refers to privately owned house laterals unrelated to NPS problems. House laterals are SRF eligible (under section 212) if they are publicly owned. House laterals are SRF eligible (under 319) if they solve a nonpoint source problem, such as connecting a failing onsite wastewater treatment system to a publicly owned treatment work. In this case, the laterals can be publicly or privately owned. The September 28 Web seminar will provide more details SRF eligibility.

Q: What is meant by storage tanks, under category 7?

A: Category 7-Storage Tanks includes the costs to address pollution resulting from tanks, either above or below ground, that are designed to hold gasoline or other petroleum products. For example, the cost of digging out leaking tanks at service stations. These categories will be explained further in future Web seminar that will go in details about NPS needs.

Q: Will the SRF program also combine Cat 3-a and Cat 3-b, and move category VII-L to category XII? Is the SRF program also following the move from cat 7-L to Cat 12?

A: This is the current plan. At the staff level, the CWNS and the SRF staff have agreed to a plan to keep the linkage between the two, and that will be the plan going forward to management. When the categories get finalized, there will be a linkage between CWNS and the SRF program.

Q: If we do not include stormwater management costs under our state SRF program, can the costs for these projects be included in the needs survey?

Yes. In order to have consistency across states, federal SRF eligibility is used for CWNS. Each state can decide which of the federally eligible SRF projects are include in its program. The September 28 web seminar will provide details on the types of projects which are allowed to be funded with SRF money according to Federal eligibility. The National SRF program website, <http://www.epa.gov/owm/cwfinance/cwsrf/index.htm>, also provides more information on this topic.

Q: By water quantity (re: stormwater needs) do you mean flood control needs, not related to any water quality benefit?

A: To be entered into the need survey, a need has to have a water quality component. Strictly water quantity projects, such as flood control projects, are not eligible for the need survey. If it is a mixed benefit project that is primarily for water quality benefits and secondarily for water quantity benefits, the answer is “yes”, that is eligible to be in the needs survey.

Q: Will green infrastructure have a public/private flag? Category VI is part of section 212. Under CWSRF, section 212 projects must be publicly owned and operated.

A: There are two aspects to the answer to this question. One relates to the fact that the needs survey no longer requires SRF eligibility as a criterion. So, in the case of privately-owned stormwater treatment needs, if those are not SRF eligible, in certain cases we will still be tracking those under the needs survey in the stormwater category. The second component of the answer is “yes”, there will be publicly-owned and privately-owned flags associated with different needs in the needs survey.

Q: How specific does the documentation of a public health threat or problem need to be?

A: The documentation needs to show that a problem is happening right now, or there is a potential for a problem to happen unless things are changed. The problem needs to be linked to the source. Additional examples will be provided in the September 11 web seminar on documentation rules.

Q: In drinking water, we have “shut off” allowing the public to determine the longitude and latitudes of drinking water supplies are, for security reasons. Aren’t the same security concerns prevalent in the wastewater field?

A: The answer to the question is “no.” The security level of wastewater treatment plants is considered to be different than the security leave of drinking water related locations. Following September 11th, EPA worked with the Department of Homeland Security and other Federal Agencies to do a thorough review of sensitivity of different types of data. During that review, it was determined that drinking water intake locations

were sensitive and the data should be kept secure. Wastewater treatment plant locations were not considered sensitive, and those locations are publicly available. We did have an inquiry from the West Virginia on the security issue about six months ago, and we reviewed our policy with them. They have agreed to continue keeping their wastewater location data in CWNS.

Q: Where in the new web-based data system will we be entering the location of the problem? I thought that system only required a Point of Record (POR) (which is tied to PCS)? That POR is the location of the facility, not the problem.

A: You are right. The location of the facility is all that is needed. For most point-source needs, location information is populated in the system.

Q: Is there going to be any “modeling of costs” done by a EPA manager? What happens if the costs are over 4 years old?

A: Yes, the CWNS does include cost curves; “curve” being the word CWNS uses for “model.” There are a few updates for cost curves that will be addressed on September 25 during the CWNS Cost Curve Web seminar presented by Mr. Jon Harcum from Tetra Tech Corporation.

A: Costs over 4 years old need to be adjusted by reducing the amounts to reflect funding applied since the original cost information was entered into CWNS. Additionally, costs over 4 years old are subject to needing to be re-documented, as outlined in slide #20.

Q: Regarding documentation cut-off dates, do you consider stormwater needs as point source or non-point source as far as the dates are concerned?

A: Stormwater needs will follow the same rules as nonpoint source needs for the documentation dates. We are aware that documenting these needs and costs can be problematic, so we will be treating them as nonpoint source.

Q: Slide 30: The alternative recommended in this example was the most expensive solution considered. Is cost effectiveness a factor when collecting cost information for the CWNS?

A: The reviewers do not go into those details, because the document itself, the facility plan, mentions that alternative to be the recommended alternative. We don't second guess what the documents present. Yes, this is the most expensive option, but it may also

be the one that provides the most protection. In the long run, if you do a cost-benefit analysis or a net present value, it may not be the most expensive.

Q: If the documentation for cost was a bid estimate, do you check to see if the project was built prior to 01/01/2008 and is therefore no longer a need (or can we count it anyway)?

A: CWNS reports needs that exist as of January 1st 2008. So, if the project was built by December 31, 2007, it is no longer considered a need for the 2008 CWNS survey.

Q: In response to your answer to the last question on eligibility. Please clarify: You said if a project was completed it would not be eligible. Is it eligible if it has been started but is not completed by 1/1/08?

A: This is a clarification we are making for the 2008 survey. For 2008, we will base it on funding. The determination will be based upon whether or not the project has been fully funded or not as of January 1st, 2008. If the project was initiated in 2007, but it wasn't fully funded, the remaining portion of the funding need will be eligible for the 2008 need survey.

Q: Slide 30: If the cover page of the Facility Plan is dated 2007 but the total project cost estimated is for 2012 construction, do I need to adjust the needs cost to 2008.

A: No, there are no manual adjustments of costs. All the adjustments will be done automatically by the CWNS Data Entry System.

Q: What about the implementation time frame for the needs? For example, if the work described in the documentation is phased out over the 10 years do all of those needs count as "official?" What if they are phased out over the next 20 or 25 years?

A: Work phased out over 10 years will be counted as "official" needs. In 2004 and prior surveys, the acceptable time horizon for implementation of needs to get into the survey has been 20 years.

The recommendation going forward (currently under EPA management review) is for 2008 and future surveys to remove the 20-year limit. If the State has well documented needs where the documented costs are spread beyond 20 years, they will be accepted as official needs.

Q: How do we access the recorded session from last Tuesday and/or Today?

A: Recorded versions of the sessions have been uploaded to the WebEx. Go to epa.webex.com and click training center. On the left bar, you will see a link for "Recorded Sessions" under the first heading "Attend a Session." When you click "recorded sessions," the past CWNS trainings are listed.

Q: The "audit report" will show how accurately I made my SRF eligibility determinations? That sounds like you are going to be reporting to Congress how well I'm doing my job.

A: The audit report is meant to do two things. One, it is meant to remove the onus from both States and from EPA from doing an exhaustive review of SRF eligibility for each and every need. So, under the old scenario, each need is reviewed for SRF eligibility. Under the new scenario, it is an audit of a small sub-set of needs, which saves a lot of effort for both the States and EPA from going back-and-forth. Disagreements related to the back-and-forth process will be limited to only the sub-set of SRF needs that are audited. Two, the results of the audit (provided as an Appendix in the Report to Congress) give Congress the ability, if they so chose, to apply a weighting scheme to the state-identified SRF eligible portion of needs. This information is important if Congress elects to link future State Revolving fund allotments to needs survey results.

Q: In the 2004 survey I "de-inflated" a Capital Improvement Plan (CIP) that had a cost inflator built into it - was this correct?

A: Mr. Escobar noted that he remembered this particular case. There will always be a few documents that won't follow the established process. This is one of those cases. De-inflating the document was actually appropriate, because we were able to find the indices that were used to incorrectly inflate the document in the first place. So, we were effectively correcting a problem in the document. It is very important that the state coordinators and EPA review team work together and communicate well in such cases. If you talk to the EPA review team in the beginning, before we encounter the problems during the review process, it can solve a lot of problems.

Q: Does participation in the CWNS have to be through a State, or can a public entity such as University participate separately?

A: The official submitter in the CWNS survey for each State is the CWNS State Coordinator or his/her alternate. Two different options exist for local or other non-CWNS State participation. (1) State coordinators can provide others "Local User" access to the Data Entry System. The CWNS State Coordinators will review and submit those needs to EPA. (2) Other entities can submit information off-line (e.g., mail in documentation, complete paper-based survey) to the CWNS State Coordinator.

Q: If I have an NPDES permit with a schedule of compliance for say disinfection, will the CWNS system determine the cost?

A: The data entry system does include cost curves that can generate costs for disinfection (Note: This answer corrects the presenter's statement that there are not cost curves for disinfection in the data entry system). In addition, costs for disinfection can be generated using "Comparative Cost Estimates." This option requires users to find similar projects that have been completed and therefore the costs are known. Based on these known costs, you can develop an estimate for your facility.
